

## FIFTH DAY.

(Wednesday, November 9, 1932.)

The House met at 10 o'clock a. m., pursuant to adjournment, and was called to order by Speaker Minor.

The roll was called, and the following members were present:

Mr. Speaker.	Jackson.
Adams of Jasper.	Johnson.
Adamson.	of Dallam.
Adkins.	Johnson
Albritton.	of Dimmit.
Alsup.	Jones of Shelby.
Anderson.	Jones of Atascosa.
Baker.	Justiss.
Barron.	Kayton.
Beck.	Keller.
Bedford.	Kennedy.
Bond.	Laird.
Bounds.	Lasseter.
Boyd.	Lee.
Bradley.	Lemens.
Brice.	Lilley.
Brooks.	Lockhart.
Bryant.	Long.
Burns of Walker.	McCombs.
Burns	McGill.
of McCulloch.	McGregor.
Carpenter.	Magee.
Coltrin.	Mathis.
Coombes.	Mehl.
Cox of Lamar.	Metcalf.
Cox of Limestone.	Moffett.
Cunningham.	Moore.
Dale.	Morse.
Daniel.	Munson.
Davis.	Murphy.
Dodd.	Nicholson.
Donnell.	Olsen.
Dowell.	O'Quinn.
Dunlap.	Pope.
Elliott.	Ramsey.
Farmer.	Ratliff.
Farrar.	Reader.
Finn.	Richardson.
Fisher.	Rogers.
Forbes.	Rountree.
Ford.	Sanders.
Goodman.	Satterwhite.
Graves.	Savage.
Greathouse.	Scott.
Hanson.	Shelton.
Hardy.	Sherrill.
Harrison	Smith of Bastrop.
of El Paso.	Smith of Wood.
Harman.	Sparkman.
Hefley.	Stephens.
Hill.	Stevenson.
Hines.	Steward.
Holder.	Strong.
Holland.	Tarwater.
Holloway.	Terrell
Howsley.	of Val Verde.
Hubbard.	Towery.
Hughes.	Turner.

Van Zandt.	West of Cameron.
Vaughan.	Westbrook.
Wagstaff.	Wiggs.
Walker.	Wyatt.
Warwick.	Young.
West of Coryell.	

## Absent.

Adams of Harris.	Harrison
Akin.	of Waller.
Claunch.	Herzik.
Duvall.	McDougald.
Dwyer.	Martin.
Engelhard.	Petsch.

## Absent—Excused.

Caven.	Patterson.
Ferguson.	Ray.
Fuchs.	Sullivant.
Giles.	Terrell
Grogan.	of Cherokee.
Hoskins.	Weinert.
Leonard.	

A quorum was announced present.

Prayer was offered by the Rev. Jno. W. Holt, Chaplain.

## LEAVES OF ABSENCE GRANTED.

The following members were granted leaves of absence on account of important business:

Mr. Terrell of Cherokee for today, on motion of Mr. Bryant.

Mr. Giles for today, on motion of Mr. Carpenter.

Mr. Weinert for today, on motion of Mr. Mathis.

Mr. Grogan for today on motion of Mr. Lilley.

Mr. Harman for today, on motion of Mr. Ford.

Mr. Caven for today, on motion of Mr. Burns of Walker.

Mr. Leonard for today, on motion of Mr. Finn.

Mr. Patterson for today, on motion of Mr. Sparkman.

Mr. Ferguson for today, on motion of Mr. Scott.

Mr. Hoskins for today and tomorrow, on motion of Mr. Coltrin.

Mr. Fuchs for today, on motion of Mr. Shelton.

Mr. Sullivant was granted leave of absence for today and indefinitely on account of the serious illness of his father, on motion of Mr. Van Zandt.

## HOUSE BILL NO. 3 ON PASSAGE TO ENGROSSMENT.

The Speaker laid before the House, as a special order for this hour, on its passage to engrossment,

H. B. No. 3, A bill to be entitled "An Act regulating crude petroleum oil and natural gas relative to the production, transportation and storage; amending Section 1 of Chapter 26 of the Acts of the Forty-second Legislature, First Called Session, changing the definitions of waste and prohibiting waste as defined, and eliminating the restriction upon the power of the Commission therein contained, and eliminating the last paragraph of said section; providing that the Railroad Commission of Texas cannot regulate as waste any process of refining crude petroleum oil, etc., and declaring an emergency."

The bill having heretofore been read second time, with committee amendment by Mr. Wagstaff, pending.

Mr. Farmer offered the following motion:

Mr. Speaker: I move that in the consideration of this bill that it be taken up section by section, beginning with the first section thereof and give all members opportunity to offer amendments as we proceed in orderly manner throughout the bill, receiving amendments from the members as each section is reached, so that full opportunity may be given for thorough deliberation and amendment of this bill.

FARMER.

On motion of Mr. Keller the motion by Mr. Farmer was tabled.

Mr. Metcalfe offered the following amendment to the (committee) amendment:

Amend House bill No. 3 by adding thereto Section 12, which shall read as follows, and renumbering the remaining sections accordingly:

"Section 12. It is especially provided that nothing herein shall in any manner affect, alter, diminish, change or modify the anti-trust and/or monopoly statutes of this State, and that no provision of this act shall in any manner directly or indirectly authorize a violation of such anti-trust and/or monopoly statutes, and in this connection it is hereby declared and especially provided by the Legislature of the State of Texas enacting this legislation that notwithstanding the provisions of Sections 7, 8 and 9, or any other sections of this act, it is the legislative intent that no provision of this act shall in any manner affect, alter, diminish or amend any provision of the anti-trust and/or

monopoly statutes of this State, or in any manner authorize a violation of such anti-trust and/or monopoly statutes; and it is further especially provided that if any provision of this act shall be so construed by any court of this State as to in any manner affect, alter, diminish, or modify any provision of the anti-trust and/or monopoly statutes of this State, then in that event any such section, subsection, sentence or clause or any provisions of this act so construed as conflicting with said monopoly and/or anti-trust statutes, it is hereby declared null and void rather than the anti-trust and/or monopoly statutes of this State. The legislative intent herein expressed is to prevail and take precedence over the provisions of Sections 7, 8 and 9 or any other section or sections of this act, regardless of any statement therein to the contrary."

The amendment was adopted.

Mr. Metcalfe offered the following amendment to the (committee) amendment:

Amend House bill No. 3 by adding thereto Section 8b, which shall read as follows:

"Section 8b. It is hereby provided that the terms and provisions of this act shall only continue in force and effect in this State until September 15, 1933, and no longer."

Mr. Van Zandt offered the following amendment to the amendment:

Amend pending amendment by striking out the word "September" and substitute in lieu thereof the word "May."

Mr. Hardy offered the following substitute for the amendment by Mr. Van Zandt:

Amend the amendment by striking out "September 15, 1933," and insert in lieu thereof the words "June 1, 1935."

Question—Shall the substitute amendment be adopted?

EXTENDING CONGRATULATIONS  
TO THE HON. FRANKLIN D.  
ROOSEVELT AND THE  
HON. JOHN NANCE  
GARNER.

Mr. Sanders offered the following resolution:

Whereas, It is apparent from all reports that on yesterday the Democratic party of the nation won a well-deserved victory at the polls; and

Whereas, In the election of the Hon-

orable Franklin Delano Roosevelt as President, and the Honorable John Nance Garner as Vice-President of the United States the great State of Texas will occupy an enviable position in the administration of our national affairs; now, therefore, be it

Resolved by the House of Representatives of the State of Texas, That the Speaker of the House be authorized and directed to wire the Honorable Franklin Delano Roosevelt and the Honorable John Nance Garner our congratulations.

The resolution was read second time and was adopted.

#### RECESS.

On motion of Mr. Satterwhite, the House, at 12 o'clock m., took recess to 2 o'clock p. m. today.

#### AFTERNOON SESSION.

The House met at 2 o'clock p. m. and was called to order by the Speaker.

#### HOUSE BILL NO. 3 ON PASSAGE TO ENGROSSMENT.

The House resumed consideration of pending business, same being House bill No. 3, relative to the conservation of oil, on its passage to engrossment, the bill having heretofore been read second time with committee amendment by Mr. Wagstaff, amendment by Mr. Metcalfe to the committee amendment, amendment by Mr. Van Zandt to the amendment by Mr. Metcalfe and substitute amendment by Mr. Hardy for the amendment by Mr. Van Zandt, pending.

Mr. Long moved to table the amendment by Mr. Hardy.

Yeas and nays were demanded, and the motion to table prevailed by the following vote:

#### Yeas—72.

Adamson.	Cox of Lamar.
Adkins.	Cox of Limestone.
Albritton.	Cunningham.
Anderson.	Dale.
Barron.	Daniel.
Beck.	Finn.
Bedford.	Fisher.
Bond.	Forbes.
Boyd.	Ford.
Bradley.	Grogan.
Bryant.	Harrison
Burns	of El Paso.
of McCulloch.	Harrison of Waller.

Hefley.	Munson.
Herzik.	Murphy.
Hill.	Nicholson.
Holland.	Olsen.
Howsley.	O'Quinn.
Hubbard.	Petsch.
Hughes.	Pope.
Johnson	Ramsey.
of Dimmit.	Ratliff.
Jones of Shelby.	Reader.
Jones of Atascosa.	Richardson.
Justiss.	Rogers.
Kayton.	Savage.
Keller.	Scott.
Kennedy.	Sherrill.
Lasseter.	Sparkman.
Lee.	Steward.
Lemens.	Terrell
Lilley.	of Val Verde.
Long.	Van Zandt.
Magee.	Wagstaff.
Martin.	Walker.
Mathis.	Warwick.
Moore.	Weinert.
Morse.	West of Coryell.

#### Nays—40.

Adams of Jasper.	Harman.
Akin.	Hines.
Alsup.	Johnson
Baker.	of Dallam.
Bounds.	Lockhart.
Brice.	McGill.
Brooks.	McGregor.
Burns of Walker.	Metcalfe.
Carpenter.	Moffett.
Coltrin.	Rountree.
Dodd.	Satterwhite.
Donnell.	Smith of Wood.
Dowell.	Stephens.
Elliott.	Stevenson.
Farmer.	Strong.
Farrar.	Towery.
Goodman.	Turner.
Graves.	Vaughan.
Greathouse.	Wiggs.
Hanson.	Young.
Hardy.	

#### Absent.

Adams of Harris.	McCombs.
Claunch.	McDougald.
Coombes.	Mehl.
Davis.	Sanders.
Dunlap.	Shelton.
Duvall.	Smith of Bastrop.
Dwyer.	Tarwater.
Engelhard.	West of Cameron.
Holloway.	Westbrook.
Jackson.	Wyatt.
Laird.	

#### Absent—Excused.

Caven.	Giles.
Ferguson.	Holder.
Fuchs.	Hoskins.

Leonard.  
Patterson.  
Ray.

Sullivan.  
Terrell  
of Cherokee.

### REASON FOR VOTE.

After all testimony, arguments, theories, sciences and speculation expressed by different parties failing to see where any benefit to the public will be derived under this law, voted for the Hardy amendment because thought by that time conditions will have changed.

### HANSON.

Mr. Keller moved to table the amendment by Mr. Van Zandt.

Yeas and nays were demanded and the motion to table prevailed by the following vote:

### Yeas—82.

Adams of Jasper.	Kayton.
Adamson.	Keller.
Adkins.	Kennedy.
Albritton.	Lee.
Anderson.	Lemens.
Beck.	Lilley.
Bedford.	Long.
Bond.	Magee.
Bounds.	McGregor.
Boyd.	Martin.
Brice.	Mathis.
Carpenter.	Metcalf.
Coltrin.	Moffett.
Cox of Lamar.	Moore.
Cox of Limestone.	Morse.
Donnell.	Murphy.
Elliott.	Nicholson.
Farrar.	Olsen.
Finn.	O'Quinn.
Fisher.	Petsch.
Forbes.	Pope.
Ford.	Ramsey.
Goodman.	Ratliff.
Graves.	Reader.
Greathouse.	Richardson.
Grogan.	Rountree.
Hanson.	Satterwhite.
Hardy.	Savage.
Harrison	Sherrill.
of El Paso.	Smith of Wood.
Hefley.	Sparkman.
Hill.	Stephens.
Hines.	Stevenson.
Holland.	Steward.
Howsley.	Terrell
Hubbard.	of Val Verde.
Hughes.	Towery.
Johnson	Wagstaff.
of Dallam.	Walker.
Johnson	Warwick.
of Dimmit.	Weinert.
Jones of Atascosa.	West of Coryell.
Justiss.	Young.

### Nays—28.

Akin.	Harrison
Alsup.	of Waller.
Baker.	Herzik.
Barron.	Jones of Shelby.
Brooks.	Lasseter.
Bryant.	Lockhart.
Burns of Walker.	McGill.
Burns	Munson.
of McCulloch.	Rogers.
Cunningham.	Scott.
Dale.	Strong.
Daniel.	Turner.
Dodd.	Van Zandt.
Dowell.	Vaughan.
Farmer.	Wiggs.

### Absent.

Adams of Harris.	Laird.
Bradley.	McCombs.
Claunch.	McDougald.
Coombes.	Mehl.
Davis.	Sanders.
Dunlap.	Shelton.
Duvall.	Smith of Bastrop.
Dwyer.	Tarwater.
Engelhard.	West of Cameron.
Harman.	Westbrook.
Holloway.	Wyatt.
Jackson.	

### Absent—Excused.

Caven.	Leonard.
Ferguson.	Patterson.
Fuchs.	Ray.
Giles.	Sullivan.
Holder.	Terrell
Hoskins.	of Cherokee.

Mr. Keller moved to table the amendment by Mr. Metcalfe.

Yeas and nays were demanded, and the motion to table prevailed by the following vote:

### Yeas—70.

Adams of Jasper.	Harman.
Adamson.	Harrison
Albritton.	of El Paso.
Anderson.	Harrison
Beck.	of Waller.
Bond.	Hefley.
Bradley.	Hill.
Carpenter.	Holland.
Coltrin.	Howsley.
Cox of Lamar.	Hubbard.
Cox of Limestone.	Hughes.
Dale.	Johnson
Finn.	of Dallam.
Fisher.	Johnson
Forbes.	of Dimmit.
Ford.	Justiss.
Goodman.	Kayton.
Grogan.	Keller.
Hanson.	Kennedy.

Lee.	Satterwhite.
Lemens.	Savage.
Lilley.	Sherrill.
Long.	Smith of Wood.
Magee.	Sparkman.
McGregor.	Stephens.
Martin.	Stevenson.
Mathis.	Steward.
Morse.	Strong.
Murphy.	Terrell
Nicholson.	of Val Verde.
Olsen.	Towery.
Petsch.	Van Zandt.
Pope.	Wagstaff.
Ramsey.	Walker.
Ratliff.	Warwick.
Reader.	West of Coryell.
Richardson.	Young.
Rogers.	

Nays—36.

Adkins.	Farrar.
Akin.	Greathouse.
Alsup.	Hardy.
Baker.	Herzik.
Barron.	Hines.
Bedford.	Jones of Shelby.
Bounds.	Laird.
Boyd.	Lasseter.
Bryant.	Lockhart.
Burns of Walker.	McGill.
Burns	Metcalfe.
of McCulloch.	Moffett.
Cunningham.	Moore.
Daniel.	Munson.
Dodd.	Scott.
Donnell.	Turner.
Dowell.	Vaughan.
Elliott.	Wiggs.
Farmer.	

Absent.

Adams of Harris.	McCombs.
Brice.	McDougald.
Brooks.	Mehl.
Claunch.	O'Quinn.
Coombs.	Rountree.
Davis.	Sanders.
Dunlap.	Shelton.
Duvall.	Smith of Bastrop.
Dwyer.	Tarwater.
Engelhard.	Weinert.
Graves.	West of Cameron.
Holloway.	Westbrook.
Jackson.	Wyatt.
Jones of Atascosa.	

Absent—Excused.

Caven.	Leonard.
Ferguson.	Patterson.
Fuchs.	Ray.
Giles.	Sullivan.
Holder.	Terrell
Hoskins.	of Cherokee.

Mr. Walker offered the following amendment to the committee amendment:

Amend House bill No. 3 by inserting the following sections immediately after Section 5:

"Section 5a. That whenever the full production from any common source of supply of crude petroleum in this State can only be obtained under conditions constituting waste as herein defined, then any operator, having the right to drill into and produce oil from any such common source of supply, may take therefrom only such proportion of all crude oil that may be produced therefrom without waste, as the allowable production of the well or wells of any such operator bears to the total allowable production of such common source of supply. Any purchaser of crude petroleum from any such common source of supply covered by this section shall be bound by the provisions hereof; and, where ratable taking shall be imposed under the conditions of this section, the production of crude petroleum owned or controlled either directly or indirectly by any such purchaser, shall be subject to the order for ratable taking, in the same manner and to the same extent as the production of any operator owning producing properties in said common source of supply.

"Section 5b. No producer or purchaser who operates a pipe line, or who transports oil through a common carrier pipe line or by railroad tank cars in this State, nor a common carrier pipe line which does not purchase oil, but who transports oil for hire, shall purchase, take or transport a greater percentage of oil from his or its own lease or from the seller or shipper from any lease than the available market offered the lessor or lessee on any other lease in the same pool."

WALKER.

On motion of Mr. Wagstaff the amendment was tabled.

Mr. Pope offered the following amendment to the committee amendment:

Amend (committee) amendment No. 1 to House bill No. 3 by striking out Subdivision K of Section 1 and insert in lieu thereof the following:

"The Railroad Commission in fixing its scheme of proration shall always ratably deduct from the allowable from any well owned, controlled or operated by any person, firm or association importing petroleum oil into the United States the equivalent of such imported petroleum oil as is used

to reduce the total allowable in that field or in Texas, and the amount so deducted shall be ratably used to increase the allowable of the wells not interested in such imported oil, but such importer shall nevertheless account to the royalty owner out of the amount of allowable, after such deduction, the full royalty due before such deduction is made.

"The Railroad Commission shall immediately after this act becomes effective make such experiments, tests, meter tests and inquiries to correctly ascertain the greatest amount of oil which may be taken from each well in each field in Texas and from such individual well total give in barrels the amount per well which may be taken without injury to the well and/or field. No allowable shall ever hereafter be required or permitted from any well or field until such records are made. Such records shall be kept monthly up to date and at the office of the Railroad Commission in Austin, Texas, and be open to inspection of the public at all times. No order fixing the allowable which may be taken from any well or field without injury to such well or field shall be valid unless based on scientific tests and correct conclusions resulting from the reasonable and practical methods of operating wells and oil fields to best produce oil.

"The Railroad Commission shall be powerless to make any order of pro-ration, or otherwise, which will deny the desired requirements of any pipe line or refinery not engaged in importing petroleum oil or its products into Texas or the United States."

Question—Shall the amendment by Mr. Pope be adopted?

RECESS.

On motion of Mr. Mathis, the House, at 5 o'clock p. m., took recess to 9:30 o'clock a. m. tomorrow.

#### FIFTH DAY.

(Continued.)

(Thursday, November 10, 1932.)

The House met at 9:30 o'clock a. m. and was called to order by Speaker Minor.

#### HOUSE BILL NO. 3 ON PASSAGE TO ENGROSSMENT.

The Speaker laid before the House, as pending business on its passage to engrossment,

H. B. No. 3, A bill to be entitled "An Act regulating crude petroleum oil and natural gas relative to the production, transportation and storage; amending Section 1 of Chapter 26 of the Acts of the Forty-second Legislature, First Called Session, changing the definitions of waste and prohibiting waste as defined, and eliminating the restrictions upon the power of the Commission therein contained, and eliminating the last paragraph of said section; providing that the Railroad Commission of Texas cannot regulate as waste any process of refining crude petroleum oil, etc., and declaring an emergency."

The bill having heretofore been read second time with (committee) amendment No. 1 by Mr. Wagstaff and amendment by Mr. Pope to the (committee) amendment, pending.

Mr. Keller raised the following points of order on further consideration of the amendment by Mr. Pope:

Mr. Speaker: I make the point of order that the amendment introduced by Mr. Pope is out of order for the following reasons:

1. Because it is not germane to the bill.

2. Because it violates the State and United States Constitutions in that it is a violation of the right of private contract—a violation of the Interstate Commerce clause—a violation of the prohibition against the State levying a tariff upon the importation of commerce, and that the same is also discriminatory.

The Speaker declined to rule on the point of order, stating that he would submit the matter to the House for its decision.

The House overruled the point of order by the following vote:

Yeas—52.

Adams of Harris.	Hughes.
Adamson.	Jackson.
Albritton.	Johnson
Alsup.	of Dallam.
Baker.	Justiss.
Beck.	Kayton.
Bounds.	Keller.
Carpenter.	Lee.
Dwyer.	Lemens.
Farrar.	Long.
Forbes.	McGregor.
Ford.	Martin.
Fuchs.	Metcalfe.
Goodman.	Morse.
Hill.	Munson.
Holder.	Nicholson.